

Health & Human Services

<u>Original Appropriations</u>	<u>FY 1994</u>	<u>FY 2004</u>	<u>Annual % Chg</u>	<u>Total % Chg</u>
<u>By Department or Division</u>				
Catastrophic Health Care	---	\$9.0	---	---
Health & Welfare	630.2	1,292.3	7.4%	105.1%
Environmental Quality	32.8	---	---	(100.0%)
Family & Com. Services	54.7	146.9	10.4%	168.6%
Commissions & Councils	1.6	4.0	9.2%	140.8%
Indirect Support Services	17.3	40.2	8.8%	132.4%
Medical Assistance	---	920.4	---	---
Public Health Services	32.7	63.8	6.9%	95.0%
Veterans Services	8.7	---	---	(100.0%)
Welfare	406.1	117.0	(11.7%)	(71.2%)
Community Rehabilitation	76.2	---	---	(100.0%)
Public Health Districts	4.8	9.7	7.4%	103.5%
Total	\$634.9	\$1,310.9	7.5%	106.5%

By Fund Source

General	\$197.3	\$393.1	7.1%	99.3%
Dedicated	80.4	80.2	(0.0%)	(0.2%)
Federal	357.3	837.6	8.9%	134.4%
Total	\$634.9	\$1,310.9	7.5%	106.5%

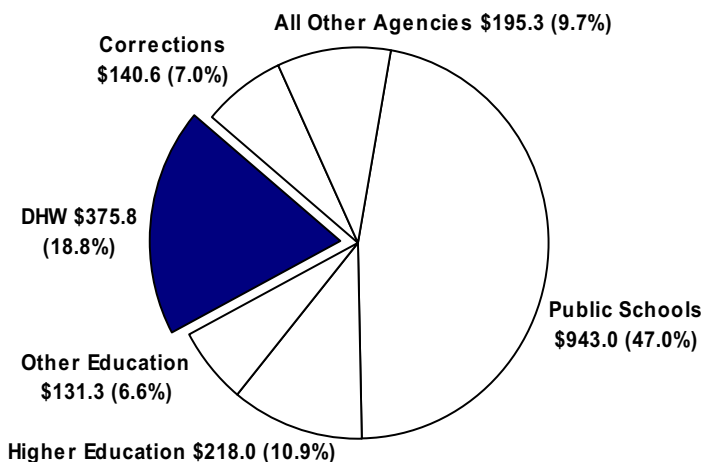
Numbers Displayed in Millions of Dollars and May Not Add Due to Rounding

- ◆ **Environmental Quality and Veterans Services** were moved from the Department of Health and Welfare in fiscal year 2001. Environmental Quality was established as a standalone department, and Veterans Services was moved under the Department of Self-Governing Agencies.
- ◆ **Medical Assistance (Medicaid)** was moved from the Division of Welfare and established as a separate division in fiscal year 1997.
- ◆ **Division of Community Rehabilitation** was merged with the Division of Family and Community Services in fiscal year 1997 as part of a departmental reorganization.

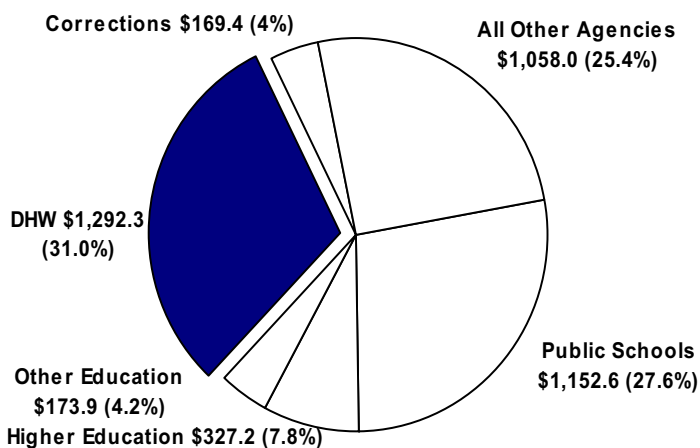
FY 2004 State Appropriations

The Department of Health & Welfare makes up about 19% of the State General Fund Budget, and 31% of the Total State Budget

State General Fund Budget (millions)



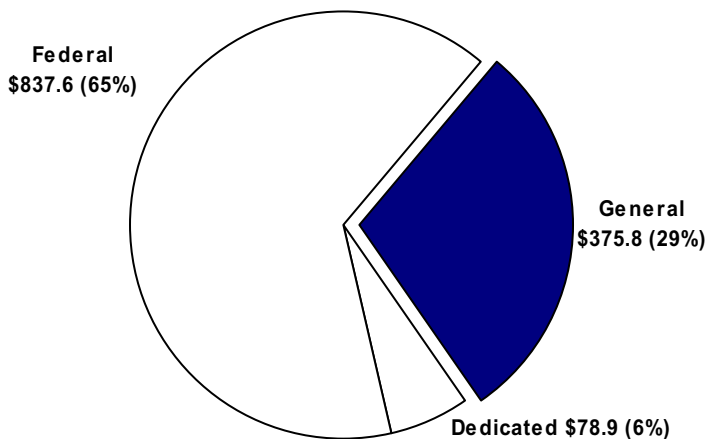
Total State Budget (millions)



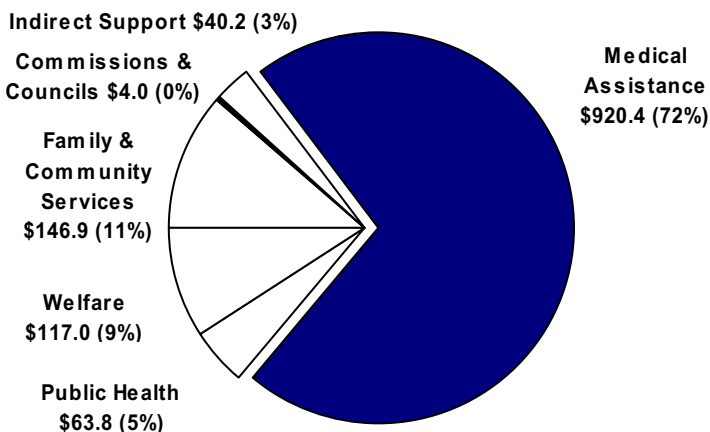
FY 2004 DHW Appropriation: \$1,292.3

The Medical Assistance Program (Medicaid) represents the largest single outlay in the Department of Health & Welfare's budget

Appropriation by Fund Source (millions)

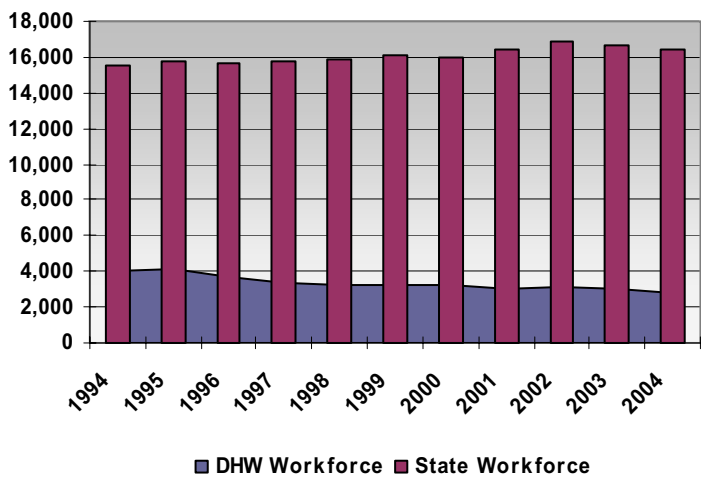


Appropriation by Division (millions)



State and DHW Full-Time Position Comparison

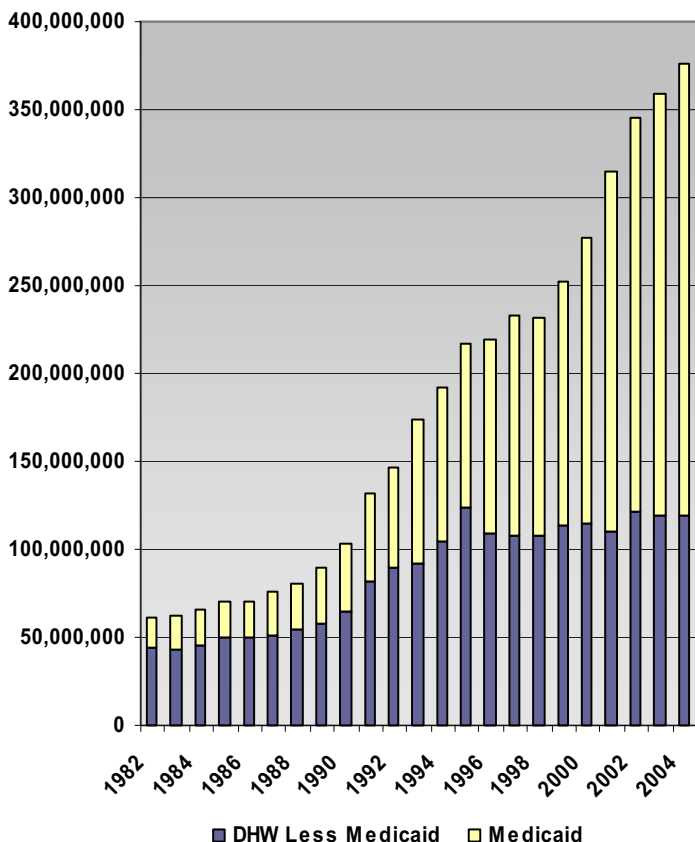
Positions in the Department of Health & Welfare have declined by 1,268 positions, since 1994



Fiscal Year	State	% Chg	DHW	% Chg
1994	15,593	---	4,073	---
1995	15,805	1.4%	4,105	0.8%
1996	15,706	(0.6%)	3,657	(10.9%)
1997	15,760	0.3%	3,309	(9.5%)
1998	15,920	1.0%	3,276	(1.0%)
1999	16,147	1.4%	3,277	0.0%
2000	16,026	(0.7%)	3,271	(0.2%)
2001	16,408	2.4%	3,038	(7.1%)
2002	16,932	3.2%	3,092	1.8%
2003	16,710	(1.3%)	2,999	(3.0%)
2004	16,405	(1.8%)	2,805	(6.5%)
Annual % Chg		0.5%		(3.7%)

DHW General Fund Comparison to Medicaid

Funding for the Department of Health & Welfare has remained relatively level since 1996, while Medicaid has grown exponentially



- ◆ As a percentage of the state General Fund budget, Health and Welfare less Medicaid went from 11% in 1982 down to 6% in 2004.
- ◆ Conversely, Medicaid went from 4% of the state General Fund budget in 1982 up to 13% in 2004.
- ◆ Between 1982 and 2004 Medicaid expenditures grew, on average, 14% each year at a time when the overall state General Fund budget grew just 8%.

Medicaid Expenses By Service Type

Type of Services	FY 2003	FY 2004	FY 2005
Inpatient Hospital	127.0	139.2	150.1
Nursing Facility	127.2	127.2	129.9
Prescribed Drugs	128.6	142.7	154.8
Waivered Services	90.6	95.7	100.9
Physician Services	49.9	53.2	57.0
Mental Health	54.5	64.0	73.3
Outpatient Hospital	37.4	39.8	42.5
Developmental Disability Center	40.2	48.8	56.6
ICF-MR Care	35.5	36.1	37.3
Dental Services	14.9	18.1	19.2
CHIPS	16.2	17.0	18.0
Targeted Case Management	12.0	12.6	13.5
Personal Care Services	19.3	21.2	23.8
Medical Transportation	11.9	12.2	12.5
Durable Medical Equipment	9.3	10.2	10.5
Medicare Parts A&B	16.6	17.7	19.0
Home Health Services	7.1	7.3	7.5
Other Practitioners	6.6	6.8	7.0
Physical Therapy	4.0	4.1	4.2
Lab & Radiology Services	8.5	8.8	9.3
EPSDT Services	4.4	4.6	4.8
Rural Health Clinic Services	6.3	7.1	8.1
Federally Qualified Health Center	3.2	4.3	5.6
School District Services	3.0	4.8	5.6
Indian Health Services	2.1	2.4	2.7
Primary Care Case Management	3.8	4.6	5.0
Prosthetic & Orthotic	1.0	1.1	1.1
Group Health Plan Payments	1.5	1.3	1.3
Optician Services & Supplies	1.1	1.2	1.3
Outpatient Rehabilitation	1.1	1.3	1.3
Family Planning	1.2	1.3	1.5
Sterilizations	0.6	0.5	0.4
Hospice Benefits	0.9	1.3	1.8
Audiologist	0.3	0.3	0.3
Medical Supplies	0.2	0.2	0.2
District Health	0.0	0.0	0.0
Miscellaneous	21.6	20.7	20.8
Total	869.6	939.7	1,008.7
<i>Dollar Difference</i>	93.1	70.1	69.0
<i>%Change</i>	12%	8%	7%